

NOTICE OF ANNUAL GENERAL MEETING



Spear REIT Limited

(Incorporated in the Republic of South Africa)
(Registration number: 2015/407237/06)
JSE share code: SEA ISIN: ZAE000228995
LEI: 378900F76170CCB33C50
(Approved as a REIT by the JSE)
("Spear" or "the Group" or "the Company")

Notice is hereby given of the annual general meeting of shareholders of Spear REIT Limited to be held at Spear REIT Limited Head Office, 16th Floor, 2 Long Street, Cape Town, on Thursday, 30 June 2022 at 11:00 a.m. ("the AGM").

PURPOSE

The purpose of the AGM is to transact the business set out in the agenda below.

AGENDA

- (i) Presentation of the audited annual financial statements of the Company, including the remuneration report and the reports of the directors and the audit and risk committee for the year ended 28 February 2022. The integrated report ("Integrated Report"), of which this notice of AGM forms part, contains the consolidated annual financial statements and the aforementioned reports.

The annual financial statements, including the unmodified audit opinion, are available on Spear's website at www.spearprop.co.za, or may be requested and obtained in person, at no charge, at the registered office of Spear during office hours.

- (ii) To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note:

For any of the ordinary resolutions numbers 1 to 9 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolutions numbers 10 and 11 to be adopted, at least 75% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.

1. Retirement and re-election of directors

1.1 Ordinary resolution number 1

"Resolved that Mr A Varachhia, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

1.2 Ordinary resolution number 2

"Resolved that Mr N Kjellström-Matseke, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

1.3 Ordinary resolution number 3

"Resolved that Dr. RL Phillips, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Brief curricula vitae in respect of these directors are presented on page 21 of the Integrated Report to which this notice of AGM is attached.

The reason for ordinary resolutions numbers 1 to 3 (inclusive) is that the memorandum of incorporation of the Company, the Listings Requirements of the JSE ("JSE Listings Requirements") and, to the extent applicable, the Companies Act, require that one-third of non-executive directors of the Company must retire at each annual general meeting by rotation and, being eligible, may offer themselves for re-election as directors.

2. Reappointment of the members of the audit and risk committee of the company

Note:

For avoidance of doubt, all references to the audit and risk committee of the Company is a reference to the audit committee as contemplated in the Companies Act.

2.1 Ordinary resolution number 4

"Resolved that Mr JE Allie, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the Company, as recommended by the board of directors of the Company, until the next annual general meeting of the Company."

2.2 Ordinary resolution number 5

"Resolved that Mr BL Goldberg, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the Company, as recommended by the board of directors of the Company, until the next annual general meeting of the Company."

2.3 Ordinary resolution number 6

"Resolved that Mr N Kjellström-Matseke, subject to the approval of ordinary resolution number 2, being eligible, be and is hereby re-appointed as a member of the audit and risk committee of the Company, as recommended by the board of directors of the company, until the next annual general meeting of the Company."

Brief curricula vitae in respect of these directors are presented on pages 20 and 21 of the Integrated Report to which this notice of AGM is attached.

The reason for ordinary resolutions numbers 4 to 6 (inclusive) is that the Company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of a company.

3. Reappointment of auditor

3.1 Ordinary resolution number 7

“Resolved that BDO South Africa Incorporated be and is hereby re-appointed as auditor of the Company for the ensuing year with the designated auditor being Mr Bernard van der Walt, a registered auditor and partner in the firm, on the recommendation of the audit and risk committee of the Company.”

The reason for ordinary resolution number 7 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed, as the case may be, each year at the annual general meeting of the Company, as required by the Companies Act and the JSE Listings Requirements.

4. Non-binding advisory vote on Spear’s remuneration policy

4.1 Ordinary resolution number 8

“Resolved that the Company’s remuneration policy, as set out on pages 33 to 38 of the Integrated Report to which this notice of AGM is attached, be and is hereby endorsed by way of a non-binding advisory vote.”

The reason for ordinary resolution number 8 is that the King IV Report on Corporate Governance™ for South Africa, 2016 (“King IV™”) recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the Company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 8, if passed, will be to endorse the Company’s remuneration policy. Ordinary resolution number 8 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the Company’s remuneration policy.

5. Non-binding advisory vote on Spear’s implementation report on the remuneration policy

5.1 Ordinary resolution number 9

“Resolved that the Company’s implementation report in respect of its remuneration policy, as set out on pages 39 to 42 of the Integrated Report, be and is hereby endorsed by way of a non-binding advisory vote.”

The reason for ordinary resolution number 9 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a company’s remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the Company. This enables shareholders to express their views on the implementation of a company’s remuneration policy. The effect of ordinary resolution number 9, if passed, will be to endorse the Company’s implementation report in relation to its remuneration policy. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the board will take the outcome of the vote into consideration when considering amendments to the implementation of the Company’s remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 8 and/or 9 be against either resolution, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

6. General authority to issue ordinary shares for cash

6.1 Ordinary resolution number 10

“Resolved that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company’s unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company’s memorandum of incorporation, the Companies Act and the JSE Listings Requirements, provided that:

- the approval shall be valid until the date of the next annual general meeting of the Company, provided it shall not extend beyond fifteen months from the date of this resolution;

- the general issues of shares for cash under this authority may not exceed, in the aggregate, 5% of the Company’s issued share capital (number of securities) of that class as at the date of this notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders or shares issued to the Spear REIT Limited Conditional Share Plan (“CSP”) shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the Company’s issued ordinary share capital (net of treasury shares) amounts to 11 670 340 ordinary shares;
- in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such 30-business-day period;
- any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties, save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that: (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be “out of the book” and will not be allocated shares; and (ii) equity securities must be allocated equitably “in the book” through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- any such issue will only comprise securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and
- in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on the Stock Exchange News Service of the JSE (“SENS”).”

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes) it is necessary for the board of the Company to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the Company. Accordingly, the reason for ordinary resolution number 10 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the Company.

Note:

For this resolution to be adopted, at least 75% of the voting rights exercised on it, whether in person or by proxy, must be exercised in favour thereof.

7. Remuneration of non-executive directors

7.1 Special resolution number 1

“Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its directors for their services as directors, which includes serving on various sub-committees and to make payment of the amounts set out below (plus any value-added tax, to the extent applicable), provided that this authority will only be valid until the next annual general meeting of the Company:

Proposed remuneration

Chairman of the board (annual remuneration)	R684 029
Deputy Chairman of the board (annual remuneration)	R672 235
Chairman/committee member (per attendance)	R8 000/R6 000
Board member (not serving on a committee) (annual remuneration)	R294 840

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1, if passed, is that the Company will be able to pay its non-executive directors for the services they render to the Company as directors without requiring further shareholder approval until the next annual general meeting of the Company.

8. Inter-company financial assistance

8.1 Special resolution number 2: Inter-company financial assistance

“Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (“financial assistance” will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related (“related” and “inter-related” will herein have the meanings attributed to such terms in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.”

The reason for and effect, if passed, of special resolution number 2 is to grant the directors of the Company the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, *inter alia*, authorised to grant loans to its subsidiaries and to guarantee

the debt of its subsidiaries. In terms of this special resolution, the Company will not be able to provide direct or indirect financial assistance to directors or prescribed officers of the Company.

8.2 Special resolution number 3: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

“Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (“financial assistance” will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related to the Company (“related” and “inter-related” will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the board of the Company may determine for the purpose of, or in connection with, the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.”

The reason for and effect, if passed, of special resolution number 3 is to grant the directors the authority, until the next annual general meeting of the Company, to provide financial assistance to any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation.

This means that the Company is authorised, *inter alia*, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority. In terms of this special resolution, the Company will not be able to provide any direct or indirect financial assistance to any person (i.e. directors of the Company). In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act,

the directors of the Company confirm that the board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolutions numbers 2 and 3 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company); and
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months.

In addition, the board will only approve the provision of any financial assistance contemplated in special resolutions numbers 2 and 3 above, where:

- the board is satisfied that the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company’s memorandum of incorporation have been met.

9. Share repurchases by the Company and its subsidiaries

9.1 Special resolution number 4

“Resolved, as a special resolution, that the Company and the subsidiaries of the Company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings Requirements, including, *inter alia*, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the Company, provided that it shall not extend beyond fifteen months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 20% in the aggregate in any one financial year of the Company’s issued share capital at the time the authority is granted;

- a resolution has been passed by the board of directors approving the repurchase, that the Company and its subsidiaries (“the Group”) have satisfied the solvency and liquidity test as defined in the Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Group;
- the general repurchase is authorised by the Company’s memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company’s securities have not traded in such five business day period;
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company’s behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements.”

The reason for and effect, if passed, of special resolution number 4 is to grant the board a general authority in terms of its memorandum of incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 4. This authority will provide the board with the necessary flexibility to repurchase shares in the market should a favourable opportunity arise and it be in the best interest of the company to do so.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of any class of a company. For the avoidance of doubt, (i) a pro rata repurchase by the Company from all its shareholders; and (ii) intra-group repurchases by the Company of its shares from wholly-owned subsidiaries, share incentive schemes pursuant to Schedule 14 of the JSE Listings Requirements and/or non-dilutive share incentive schemes controlled by the Company, where such repurchased shares are to be cancelled, will not require shareholder approval, save to the extent as may be required by the Companies Act.

Note:

For any of the special resolutions numbers 1 to 4 to be adopted, at least 75% of the voting rights exercised on each special resolution must be exercised in favour thereof.

10. Other business

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the Company.

Information relating to the special resolutions

1. The directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company as set out in special resolution number 4 to the extent that the directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:
 - the Company and the Group’s ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this notice of AGM and for a period of 12 months after the repurchase;
 - the assets of the Company and the Group will at the time of this notice of AGM and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the liabilities of the Company and the Group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited financial statements of the Group;
 - the ordinary capital and reserves of the Company and the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the AGM and after the date of the share repurchase; and
 - the working capital available to the Group after the repurchase will be sufficient for the Group’s requirements for a period of 12 months after the date of the notice of the AGM and for a period of 12 months after the date of the share repurchase.

General information in respect of major shareholders, material changes and the share capital of the Company is contained in the Integrated Report of which this notice of AGM forms part, as well as the full set of financial statements, being available on Spear’s website at www.spearprop.co.za or which may be requested and obtained in person, at no charge, at the registered office of Spear during office hours.

2. The directors, whose names appear on pages 20 and 21 of the Integrated Report of which this notice of AGM forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this notice of AGM contains all information required by the law and the JSE Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

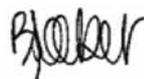
VOTING

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company ("the Share Register") for purposes of being entitled to receive this notice of AGM is Friday, 20 May 2022.
2. The date on which shareholders must be recorded in the Share Register for purposes of being entitled to attend and vote at this AGM is Friday, 24 June 2022 with the last day to trade being Tuesday, 21 June 2022.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the AGM and must accordingly bring a copy of their identity document, passport or driver's licence to the AGM. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.
4. Certificated shareholders and own-name dematerialised shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the Company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by such shareholders who wish to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.
5. The instrument appointing a proxy and the authority (if any) under which it is signed must reach the transfer secretaries of the Company at the address provided on the inside back cover of this Integrated Report by not later than 11:00 a.m. on Tuesday, 28 June 2022, provided that any form of proxy not delivered to the transfer secretaries by this time may be handed to the chairman of the AGM at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the form of proxy and the proxy's proof of identification being verified before any shareholder rights are exercised by such proxy.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their central securities depository participant ("CSDP") or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
7. Dematerialised shareholders, other than own name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.
8. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

ELECTRONIC PARTICIPATION

1. Shareholders or their proxies may participate in the AGM by way of telephone conference call ("teleconference facility").
2. Please note that the teleconference facility will only allow shareholders to listen in and raise questions during the allocated time. Shareholders will not be able to vote using the teleconference facility. Should such shareholders wish to vote, they must either:
 - complete the proxy form and return it to the transfer secretaries in accordance with paragraphs 4 and 5 above; or
 - contact their CSDP or broker in accordance with paragraphs 6 and 7 above.
3. Shareholders or their proxies who wish to participate in the AGM via the teleconference facility must notify the Company by emailing the Company Secretary, René Stober, by no later than 11:00 a.m. on Friday, 24 June 2022. The Company Secretary will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act and thereafter, if validated, provide further details on using the teleconference facility. Only a total of 20 telecommunication lines will be available for such participation, which will be allocated on a first-come-first-served basis.
4. The cost of the participant's phone call will be for his/her own expense and will be billed separately by his/her own telephone service provider.
5. The Company cannot guarantee there will not be a break in communication which is beyond the control of the Company.
6. The participant acknowledges that the telecommunication lines are provided by a third party and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the AGM.

By order of the board



Per René Cheryl Stober
Company Secretary

31 May 2022
Cape Town